

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

IN MEMORY OF VICKI LEE GREEN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Colorado (Mr. MCINNIS) is recognized for 5 minutes.

Mr. MCINNIS. Mr. Speaker, I rise today in great sadness. I lost a friend of mine but, more importantly than my loss, is the loss to the entire community of Glenwood Springs, Colorado, one of their leading and most outstanding citizens, Vicki Lee Green.

Vicki is survived by her husband Lee, a tremendous individual; by her daughter Tanya, of whom Vicki was always so proud of, and especially proud of Tanya who is now following in her mother's business that Vicki set up; by her brother Bill, who showed so much compassion and care over the last several years during Vicki's battle with a terrible disease; and, of course, Bill's wife, Jeannie, and numerous other relatives.

Mr. Chairman, I wanted to visit with my colleagues to tell them about this wonderful, wonderful person who represented the standard of strength. Vicki did not inherit her strength. She worked for it. And she built her foundation of strength with several different pillars, and those pillars have really on one end family, which she truly loved and devoted her life to, and on the other end friends. Those were the two main pillars that held up that structure of strength that Vicki Lee Green demonstrated to all of us who knew her.

Between those two great pillars of family and friends were several other smaller pillars, but nonetheless important for the maintenance of the structure, and they were, first of all, integrity. No one ever questioned Vicki Lee's integrity. I dealt with her on a number of business transactions, and I have never known anyone in my professional career, ever, not anyone, who questioned Vicki Lee Green's word or her integrity. It was impeccable.

Her character. She was an enjoyable person to be around. She was all business, make no mistake about that, but she was just an enjoyable person to do business with. She was an enjoyable person to be a friend of, and she was an enjoyable person in the community.

She was very bright, and that in itself is a pillar. In the kind of business that she was in, real estate, she was very competitive but she was bright, and that is an asset. It is important for strength.

I can tell my colleagues that she was very determined, one of the most determined people I have ever known. And I

think that was most clearly demonstrated not only by the success of Vicki's business accomplishments but by her very, very brave battle against this terrible disease which unfairly took my friend and the community's friend, and a mother, and a sister, and a wife at age 51.

Today, they had Vicki's service in Glenwood Springs. I regret the fact that I could not attend, but my duties required that I be here with my colleagues. But I do want my colleagues to know that a lot of times we can tell by the outpouring of a community just how much they love somebody, and there is no question that today the outpouring of that community for the services of Vicki Lee Green was tremendous, probably one of the largest attended services in the history of that community.

In so many ways Vicki Lee Green was a beautiful, beautiful person; and I can tell all of my colleagues that many of us in Colorado and many of her friends throughout the country, as well as her family, will miss her deeply.

PERMANENT NORMAL TRADE RELATIONS FOR CHINA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Oregon (Mr. DEFAZIO) is recognized for 60 minutes as the designee of the minority leader.

Mr. DEFAZIO. Mr. Speaker, I rise this evening to speak on the proposed legislation that will be before this House in 2 days on the so-called permanent normal trade relations for China, that is once and for all the United States surrendering any right for the Congress to review the actions of the Government of China in terms of its compliance with past, existing agreements on trade, no matter how unfair; any right to review their actions in the area of human rights; any right to review their actions in the area of nuclear proliferation in dealing with terrorist nations. In fact, we would be writing a blank check for the government of China, a government which has broken every past agreement with the United States.

But let us go back a little further. I quote. "If it seems increasingly likely China embraces a trade regime that permits American firms to enjoy what our Secretary of State terms a fair field and no favor, how much does the United States stand to gain? According to the editorial pages of our most respected newspapers, senior government officials, captains of industry, and numerous other opinion makers, the answer to that question appears to be much more than we can possibly imagine. The chairman of a prominent U.S.-China business group, for example, contends that an accord will incalculably strengthen and stimulate our trade

ties. A commercial roundtable claims no other market in the world offers such vast and varied opportunities for the further increase of American exports. Echoing these appraisals, The New York Times declares that it is not our present trade with all Chinese exports, but the right to all that trade with its future increase for which America will become a source of great profit."

Unfortunately, they were all wrong. The President was McKinley, the year was 1899, and the policy was open door toward China.

But let us move ahead to more recent actions in the closed Chinese market. The Chinese are the most unfair trading nation on earth. My colleagues do not have to take that from me. We can go to one of the biggest cheerleaders for this accord, the President's special trade representative, Charlene Barshefsky, whose annual report has detailed that, in fact, the Chinese have a plethora of nonmarket-based exclusions to U.S. and other goods around the world.

The President proclaims they will lower their tariffs. Well, guess what, the tariffs are meaningless. That is not how the Chinese keep the goods out of their country. They keep them out with nontariff barriers. So they have given away something that is meaningless. They will no longer levy on tariffs the goods they do not allow to be imported; and the U.S., of course, will lower all its barriers.

Now, we are a market-based economy. Lowering our tariffs does mean more Chinese goods will flow into the United States. This is what has happened under the past agreements with China. Perhaps I should turn it over. This is the growth in our trade deficit, the growth in red ink with China. It reached a record last year, and it is projected that if the Chinese live up to the current agreement, which is pending, that in fact this trend will accelerate. And if they do not live up to it, it will grow even more quickly. The loss of jobs will be palpable here in the United States of America.

□ 2000

If we use the U.S. International Trade Commission's own model, they say that our trade deficit with China will continue to grow for the next half a century, reaching a peak of \$649 billion in 2048, our trade deficit with China would not fall below its current level until 2060. Now, that is if they live up to the agreement. Remember, they have broken every agreement.

Now, well, maybe this is different. Well, let us go to a good source, quotes from the Chinese official who negotiated these trade agreements. He is talking about a couple of specific things. He says, in fact, and he is talking about the import of meat and he says, this is a change of wording. This

has created a fuss in the United States. People think that China has opened its door wide for import of meat. In fact, this is only a theoretical market opportunity. During diplomatic negotiations, it is imperative to use beautiful words for this to lead to success, the same kind of success that the Chinese have had in the past, every time beautiful words, signing agreements, every time violating the agreements and a dramatic acceleration in the U.S. trade deficit.

Now, I have had the farmers from my State, I have had the cattlemen, I have had the wheat farmers, they say, Congressman, what an opportunity for us. The U.S. market is not so great. We need help. We need access to the Chinese market. I said to them, What if you thought that, in fact, the tables were going to be turned, if wheat produced cheaply in China was going to be imported into the United States? They said, Well, no one talked about that.

Well, they did not tell the tomato growers in Florida about that when we entered into the NAFTA agreement, either; and they have been wiped out by the cheap tomatoes from Mexico. And, in fact, there is no huge opportunity to import meat into China, as we heard. These are beautiful words to get success in negotiations according to the chief Chinese negotiator.

He went on to talk about wheat. "Some people think there will be a massive amount of smut going into China," he is talking about something that grows on wheat, not pornography, "if we promise to import 7.3 million tons of wheat annually from the United States. This is absolutely wrong. Commitment is just an opportunity for market accession in terms of theory. We may or may not import such an amount of wheat as 7.3 million tons."

He went on elsewhere to talk about how, in fact, the Chinese have made vast strides in producing and stockpiling wheat and that they fully intend to be major exporters of wheat and other agricultural commodities. And by the U.S. dropping all of its tariff barriers while the command and control, centralized communist economy of China has given us meaningless concessions on trade, those goods will be flooding into the U.S., further hurting our farmers and further impacting other sectors of our economy.

What other sectors? Well, we have been told this is a vast opportunity. Remember, a hundred years ago we heard the same thing. We heard it a mere less than a decade ago about Mexico, how Americans were going to get wealthy, they were going to get wealthy by exporting goods to Mexico.

No one talked about the fact that the total buying power of the nation of Mexico was less than the State of New Jersey. And in this case no one is talking about the fact that China is less important than Belgium to the United

States in terms of exports. And the Chinese have no intention of opening that market because they are a command and control, communist, top-down dictated economy. They are not a market economy, and they will not become; and they are not required to become a market economy under this agreement.

Most economists say everything but the military telecommunications, energy industries, along with some parts of the transportation sector will be opened to private competition. State-run monopolies and exports, imports and manufacturing, for example, will be dismantled. That is the promise.

The reality is, headline: "China Car Makers Expect Continued Protection After WTO Entry." Beijing Dow Jones. "China Will Continue to Protect Its Agricultural Industry After Its Expected Entry Into The World Trade Organization." And the list goes on.

Telecommunications, automobiles, transportation. The Chinese have a huge labor surplus. They are not about to risk the stability of their country by putting those people out of work by more efficient manufacturers here in the United States.

This is not about exporting U.S. manufactured goods to China. It is exactly about the same thing that happened in Mexico. It is about making it safe for U.S. manufacturers to move huge sums of capital and manufacturing equipment in the past to Mexico and now to an even cheaper source of labor.

Just think of it. They work for one-fifth of the dollar an hour that the Mexicans get paid. There will be endless threats of moving the company to China if they do not get wage concessions here at home.

This is not about the buying power of the Chinese people at 20 cents an hour. A person who works in the plant manufacturing Nikes at 20 cents an hour, 6½ days a week, 12 hours a day could, yeah, it is true, if they took 3 months' wages and got an employee discount, they could buy a pair of Air Maxes. Not too likely, and not even Nike says that.

In fact, many multinationals are not mentioning selling. If you go visit their Web sites, it is very instructive. We have all heard talk about this, from their American-based factories to China, which might benefit American workers. Instead, they are carrying on about turning the People's Republic into a low-wage production base. That is what this is all about.

Procter & Gamble, they want the low wages. Motorola, they want the low wages. Westinghouse, they are all saying, and they say this openly on their Web sites, they plan to substitute Chinese parts and materials steadily for American-made ones, the ones that they still send to China to put into finished goods.

The predictable result is the loss of high-wage American manufacturing jobs. A trend that started with Mexico is going to dramatically accelerate with China.

I see a couple of other Members have joined me, and let me go to them in a moment. But let me just go back to can we trust the government of China.

We have outstanding numerous trade agreements with the Chinese, most importantly the 1979 Bilateral Accord signed by the government of China and the Government of the United States: Where the contracting parties shall accord each other most favored nation treatment with respect to products originating in or destined for the other country, any advantage, favor, privilege, or immunity they grant to like products originating from any other country or region in all matters regarding.

It goes on and on and on. We have this agreement. We do not need to give them these extraordinary new concessions. We do not have to give them a permanent blank check. All we have to do is demand that they live up to an agreement they signed 21 years ago, which they have not lived up to in 21 years, and they have no intention of living up to in the future in addition to the newly phrased, nicely worded, beautifully worded, as the Chinese negotiator says, and successful negotiations they have just had with the United States, which is about to be or they are going to attempt to jam down the throats of this Congress and the American people.

Mr. Speaker, I yield to the gentleman from Michigan (Mr. BONIOR).

Mr. BONIOR. Mr. Speaker, I thank my colleague for yielding. I want to compliment him for his statements and his explaining to the American people and to our colleagues here that what we are talking about in this trade agreement with China is quite similar to what we had as a result of the North American Free Trade Agreement, that is, creating another export platform for products.

Businesses in this country move to low-wage, often authoritarian governments, countries, establish their business there and they do not have to deal with the question of paying decent wages or decent benefits, where there is no rule of law that allows people in those countries to form independent labor organizations, where there is oftentimes no chance to even provide a political voice in opposition.

So that is kind of the strategy here for many of the multinationals that are locating in Asia and oftentimes in other underdeveloped or developing world countries. And I think you can tell from the chart that the gentleman has how clearly this policy that we have had for the last decade, well, actually it is more than the last decade, the chart indicates right there from

1983 to 1999 we have granted China all these trade concessions.

All those arrows that are pointing at the red part of that graph are trade agreements we have reached with China. By the way, none of which were ever complied with. The result of that is the red that you see on that chart. And the red, of course, is the growing deficit from \$6 billion in trade deficit back in 1983 to now approaching \$70 billion annually.

The tragedy, of course, is because these countries, China in this instance, has such regressive, repressive laws about organizing politically, religiously, trade union-wise, their workers cannot earn enough money to purchase anything we might want to sell them. Even if we could get it into their country, which we cannot get, anyway, but assuming we could get it in, they have not the wherewithal to purchase the products we want.

The United States Business and Industry's Council's Globalization fact sheet, *China Trade*, came out in July of 1999, one of their fact sheets, and it states "What Will They Use for Money?"

What they do is outline the cost of an automobile made in China. The price of a Buick is about \$40,000. The price of a GM minivan planned to be made in China is about \$48,000. The price of a small Volkswagen planned to be made in China is \$12,000. The price of a Honda Accord planned to be made in China is \$36,000.

The point here is the average Chinese urban worker's annual income is about \$600, and if you look at the Chinese manufacturing worker, they labor for about 13 cents an hour; and, as a result, one of the fastest growing export sectors to China is already parts for re-assembly and export back to the United States. And this has grown at 349 percent over the past 5 years, exactly what they do in Mexico.

Our corporations will go to the workers in this country and their representative unions and they will say to them, listen, if you do not take a cut in salary, if you do not take a freeze in benefits, we are out of here, we are leaving, we are going to Mexico, or we are going, in this case, to China. And they go and they hire people, as they have in many of the sweatshops in China, to put together handbags and clothing and shoes, athletic shoes, for anywhere between 3 cents an hour and 30 cents an hour.

And the people that put those things together, they work long hours, oftentimes 30 out of 31 days a month, 12 hours a day, and they are working for literally pennies. So much so that the women who make shoes in some of these factories live in dormitories, the size of which in a 1020 room there are nine or 12 women with bunk beds living in these cramped quarters.

And so after they get done working these incredibly horrendous hours, 12

hours a day almost every day of the month, they do not make enough at the end of the month to buy even one of the athletic shoes that they are making; and oftentimes what they make is taken from them to pay for their food and their dormitory use, which are really tragic.

In fact, I think we have a shot of one that if the camera could put that up on the easel. This is the iron bars covering the dormitories where these women work. Not unusual. They work without gloves. They use toxic glues and all the horrors that you could imagine exist. Not unlike the maquiladora along the U.S.-Mexican border where often women young women in their teens, in their twenties work these long hours for very, very little pay.

So when we are up here arguing, as the gentleman from Oregon (Mr. DEFAZIO) has so eloquently done this evening, about standards, when we talk about working conditions, when we talk about living up to their trade agreements, which the Chinese have not done, when we talk about meshing this together into a policy that makes sense for workers both here and in China, we are talking about really where the future is in trade.

The policies that we have now are the past masquerading as the future. They are the same trade policies we have had for a hundred years in this country.

What has changed, of course, is the globalized nature of the world that we live in today. Because everyone is more interconnected. We are interconnected by the work that we do. We are interconnected by the air that we breathe and the water that we drink.

□ 2015

Some people say, well, why are you so opposed to this environmental grounds. I do not get the Chinese environmental piece, what is that all about? Well, it clearly is this. China has a policy, and they will tell you this openly and they will be very clear to you that you cannot have environmentalism and economic growth at the same time. That is what the Chinese Government maintains. So as a result, five of the 10 most polluted cities in the world are in China.

The air and the water in China is terrible, 2 million die each year of air-related or water-related illnesses in China. The rivers in China, 80 percent of them, do not have fish in them because of the toxics and the pollutants that are dumped in them. And, of course, the ozone layer is being eaten away.

China produces more fluorocarbons than any other place on the face of the Earth. Now, why this is important to us or to China's neighbors is because that water flows not only in China. It flows into other bodies of water that border on other nations, the air, the

ozone layer. The problem that causes is a result of the fluorocarbon production that affects all of us on the face of the Earth.

The air that they pollute moves about the universe, so we are all inter-related; and that is why people who have a voice, need a voice, and want a voice at the table, whether it is the WTO or these trade agreements we do bilaterally or the IMF or the World Bank, we need to have people in the discussions at the table making policies that represent these views on the environment, on labor standards, and on human rights.

There is kind of a mindset in this debate that I would like to kind of challenge, if I could for a second; and I encourage my colleagues to join me in this part of the debate, because it is a really critical piece to how we confront this issue.

The proponents of this Chinese deal will argue to you, and they will argue vociferously, and I believe many of them believe this, they will say if we invest, engage with China, and I want to invest and I want to engage, but I want to do so under conditions, 15 percent of the American people in the Business Week poll said the best way to improve human rights and worker rights in China is not to restrict trade, but to engage China and include it in the World Trade Organization and give it permanent access to the U.S. market. Seventy-nine percent said, Congress should only give China permanent access to the U.S. market when it agrees to meet human rights and labor standards.

The American people believe, by a large margin, that we should engage them, but only when they agree to meet human rights and labor standards. So their argument on the other side goes something like that that if we engage in trade, it will open up their economy, people will be on the Internet, they will be talking to each other, da da, da, da, and democracy will flourish.

Mr. Speaker, of course, we have had now over 10 years of that, and the repression in China has only gotten worse. You can use these technologies in an Orwellian way to stifle peoples' rights to speak, to restrict their abilities to communicate or to organize.

Technology can be used both ways, and if you have a government that forces the negative as opposed to accentuating the positive, it sounds like a song, then you have a very bad situation; and that is what we have in China. Religiously, if you challenge the government, whether you are a Buddhist or a Catholic or a Muslim, or what have you, you will end up in jail where tens of thousands of religious activists, political activists and labor activists now reside.

I say to that argument that by trading, you can only open up the government, not through just the free market. The free market by itself did not open up anything. It did not open up our country. What opened up our country was people banning together democratically to form political organizations, labor organizations, religious organizations, human rights organizations that then came together and changed the laws of our country so more people could vote and participate. They were empowered politically, so that more people could have a right to organize in a union and collectively bargain; and they were empowered economically, so people could come together and form religions and express themselves through their faith in a religious way.

And that is what changes people. Free market by itself, we had the free market in Chile during Pinochet's time. We had the free market in Indonesia during Suharto's time. If the government is there repressing the people, the things that my friends, the proponents of this trade agreement, want, will not happen. It is only through the people's courage and determination and fight that you could bring change.

We need to stand on the side of those people who are trying to do that, the tens of thousands who have been locked up in prison, the other dissidents who are still there on the street, some who are in exile. The human rights advocates for China today, Harry Wu, Wei Jingsheng and many others like them, say do not do this trade deal, because the Chinese Government has not agreed to open up their labor rights and environmental and other issues to the general public.

Mr. DEFAZIO. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Oregon.

Mr. DEFAZIO. Mr. Speaker, I think that is an extraordinarily important point, because I remember sitting in your office with Wei Jingsheng and he said, when I was locked up in prison in China with no communication with the outside world, he said, I could assess the state of affairs between the United States of America and the dictators in China. He said, At times I was treated much better in prison, and at other times I was treated much worse.

And, of course, my immediate assumption was, well, I guess when we made concessions to the Chinese they treated him better. He said no. He said, in fact, when the United States was confronting the dictators in China, when the United States was taking a stand for the few months that President Clinton said that we were going to link human rights and labor rights to our trade concessions to China, he was treated better, as were other prisoners. But as soon as the U.S. caves in, every time the U.S. caves in, the oppression washes this back.

Mr. BONIOR. This is permanent what we are talking about. This is permanent caving in. This is like we do not get to have this debate any more, the annual debate. Even though we debate this every year, we raise the consciousness of the country and the Chinese people and the world community who care about human rights, even though we are unwilling as a country to enact the laws that we need to really send a message to the Chinese. At least we have debate. Now, they even want to take the debate away from us, and that is how convoluted and how twisted this has all become.

Mr. DEFAZIO. If I could reclaim my time, there are some who claim, well, in fact, we have to do this so they can accede to the WTO. In fact, that is patently false. The 1979 agreement guarantees the U.S. and China reciprocity in trade. Of course, they have not followed that agreement, and the WTO would allow under their rules China to accede, if the U.S. supported them, and continue to annually review their performance on a number of issues. To give that up, which we are doing here for all time, I mean, we are giving them everything they could have ever wanted, they could have ever dreamed of. They violated all past agreements, but the beautiful words are that they will do better in the future as their negotiators said.

I think it should be performance based. The European Union set an example when Greece and Portugal wanted to accede to the European Union. They did not say, oh, sure come on right in and please, you know, we have some concerns, but if you will promise to fix those things, we will let you in right now full membership. They said, no, we want you to deal with labor conditions, environmental problems and other concerns, low wages in your country, because we are worried about a flood of our manufacturers into your countries. And, in fact, they conditioned their accession, and they said we are going to set benchmarks. You meet the benchmarks; we will bring you along. You meet another benchmark; we will bring you along. And when you finally reach the goal, we will give you full rights. Why could we not do that with China? Will the gentleman tell me?

Mr. BONIOR. Of course, we could do that with China. We could do that with Mexico. We could do that with other Latin American countries, and we do not. We gave that away under the North America Free Trade Agreement, that was the time to set the pattern. We set this terrible pattern of no responsibility; and as a result of no responsibility, we got no accountability.

And we have walked this path of no return it seems, unless people decide to stand up and say, no, we are not going on this path. We want to make people responsible so that standards rise; they

do not fall for working people in the country.

And the other side, and I will just conclude with this, and I know the gentlewoman from California (Ms. PELOSI) is here and the gentleman from New Jersey (Mr. PASCRELL) is here, the real champions on this issue, the other side will also argue, they will say, well, you know, I saw the President on TV just a while ago. He was being interviewed by Tom Brokaw on NBC; he was saying this is a win for us, because we get all this access to the Chinese market, all our stuff is going to be able to come in, because their tariffs are going to come down. But what he fails to tell you is that they do not have any compliance or enforcement, and they do not let our stuff in, even though they say they can come in.

Let me give you a couple of quick examples. In the area of wheat, China will establish large and increasing tariff rate quotas for wheat with a substantial share reserved for private trade. This is the USTR agreement with China. After that was agreed to, Mr. Long also said that although Beijing had agreed to allow 7.3 million tons of wheat from the United States to be exported to the mainland each year, it is a "complete misunderstanding" to expect this grain to enter the country. In its agreements with the U.S., Beijing only conceded a theoretical opportunity for the export of grain.

Let me move to another commodity: meat. China has also agreed to the elimination of sanitary, phytosanitary barriers that are not based on scientific evidence, USTR, in other words, breaking down this barrier of allowing our meat into their country. Here is what the Chinese said right after that was agreed to: "Diplomatic negotiations involve finding new expressions. If you find a new expression, this means you have achieved a diplomatic result. In terms of meat imports, we have not actually made any material concessions." China trade envoy Long Yongtu, China's chief WTO negotiator.

I could just go on and on and on: telecommunications, insurance. Insurance industry is running all of these ads on the radio; you hear them everywhere you go. You turn on your radio, they are spending all of these hundreds of millions of dollars in this campaign to convince the American people that we will be able to sell the Chinese insurance products. Agreements: "China agrees to award licenses to U.S. insurance firms solely on the basis of prudential criteria, with no economic needs tests or quantitative limits."

It sounds pretty good, pretty strong, USTR negotiated in November. Ma Yongwei, chairman of China's Insurance Regulatory Communication, top person, she says, that "even after China's accession to the WTO, Beijing reserved the right to block licenses for

foreign insurance companies if their approval seemed to threaten stability of economic policy."

Now, come on, you do not have to be a rocket scientist to figure this stuff out. I mean, this is the same game they played since 1983, which has allowed our deficit to mushroom and go out of control, and here we are with these basic commodities, meat, wheat, insurance, telecommunications, and they are playing the same game.

And I say to my friends in the agricultural sector especially who are, you know, trying to persuade us, China is awash in food today. They are not going to be importing all of this food.

Mr. DEFAZIO. If I could reclaim my time, just to finish the statement by the chief negotiator, and I thought this was very telling, too, he said during diplomatic negotiations, it is imperative to use beautiful words, for this will lead to success. That is success in negotiations, not success in U.S. access.

I sit as the ranking member on the Coast Guard and Maritime Affairs subcommittee, our maritime commission has come to us and said U.S. ships cannot access Chinese ports. It is not tariffs. It is not phytosanitary barriers. It is not environmental concerns. They have a constantly set of mutating unwritten rules for port access.

We have ships dispatched from the United States, the few that carry goods back that way, because most all of their deadheading back just to bring Chinese goods here, when they get to a Chinese port, they are told, we are sorry, you must leave, and they say, why, and they say, well, the rules have changed since you left the United States. And they said, could we see the rules, and they said, well, we are we sorry, the rules are not written, but we can assure that those rules do not lie. None of that will change under this agreement.

□ 2030

The tariff barriers are meaningless, meaningless, in a command and control Communist Chinese top down state-dominated economy.

Mr. BONIOR. The gentleman forgot one other adjective, corrupt. The Chinese government is a corrupt government. It functions based upon, to a large extent, on bribery. It is a very corrupt government.

Now, I have been through this before. In fact, the gentleman from California (Mr. DREIER), who has just risen, and I were debating this issue a little bit. And I remember him getting up and arguing that the Salinas government in Mexico was such an outstanding government and Salinas was such an outstanding individual, and things would change, things would get better in Mexico as a result of this.

Well, of course, Salinas now is in exile, having been scorned by his own

countrymen for the corruption of him and his family. And, as a result, what we find in Mexico are people whose standard of living has dropped appreciably, and it was not just because of the devaluation of the peso, by the way, which could very easily happen to the currency in China if this goes through. Do not be surprised if the same thing happens in China, because it probably will.

But the people in Mexico, in Maquiladora, in real wages are earning anywhere from 20 to 30 percent less than they were prior to NAFTA. Of course, we have lost many of our jobs there as well.

Mr. DREIER. Mr. Speaker, will the gentleman yield, in light of the fact that the gentleman mentioned my name?

Mr. DEFAZIO. Mr. Speaker, I have other Members to recognize first.

The SPEAKER pro tempore (Mr. COOK). The gentleman from Oregon (Mr. DEFAZIO) controls the time.

Mr. DEFAZIO. Mr. Speaker, if I could add, just to go back to the argument that the gentleman made, after the NAFTA agreement, after they devalued, after the people of Mexico were impoverished, the economists who promoted this and talked about the huge market and the jobs said, "How could we have predicted this?" I remember that the gentleman from Michigan predicted it. I predicted it. I only have a bachelor's degree in economics. What is wrong with these people? The same thing could happen with the RMB, so the 20 cents an hour buying power, which is going to be an incredible boon for American industry, is going to drop to 10 cents an hour wages. That is not going to buy a heck of a lot from here.

Mr. Speaker, I yield to the gentleman from New Jersey (Mr. PASCRELL), who has been very patient.

Mr. PASCRELL. I would like to start by thanking my colleague, the gentleman from Oregon (Mr. DEFAZIO) for his leadership in this area.

Frankly, I have seen enough ads and watched enough of them, so I do not need any retort or debate at this point. Our argument is not with the Chinese people, and we need to be very clear about this, but I had a horrible dream the other evening. I dreamt after standing with those dissidents in front of the Capitol, I dreamt that there was an uprising in China against the authoritarian dictatorship, and that we in America sided with a government which we have helped prop up. That is a nightmare.

Have we lost our moral compass altogether? The New York Times can try to anesthetize this all it wants in its editorials and its big ads, but it does not change.

This vote is not a referendum on one billion people who are forced to live under communist tyranny; this vote is about America's relationship with the Chinese government.

We have lost our moral compass to listen to the administration and to leadership in this House about where we are to go on this vote. There is a reason that the proponents of this flawed deal have been touting the national security and theoretical reform benefits they see in this package. They know that the argument that this bill is good for our working families is plain wrong.

As China seeks entry into the World Trade Organization and as our trade deficit with China soars to record heights, our manufacturing jobs are being sucked from our shores, away from our workers. Those jobs are going to places like China, where there is very little regard for working people, very little regard for their safety, very little regard for the environmental conditions within which people work, very little regard for health standards.

When dealing with issues such as this, I find it is best to step back and look at exactly what we are doing. What does this vote mean? Granting PNTR to China would strip America's ability to keep check on the communist regime in China. Granting PNTR to China says that China has gained our trust and approval, and I would be saying I believe this trade deal is the best thing for working folks in my district, in your district, the gentleman from Oregon, in your district, the gentlewoman from California.

I will not do that, because this is a bad deal. The numbers do not lie. In New Jersey, we will lose 23,000 jobs. In the United States as a whole, we will suffer a net job loss of 872,000 jobs over the same 10 years. We are not creating jobs in America, we are creating jobs in China. And why are we creating jobs in China? Proponents like to talk about job creation, although lately they have quieted that message, but they do not like publicizing the job loss on our side.

The real job creation is in China, where United States businesses will flock with their factories. Do you remember the words, in May of 1999, by the former Chief Economic Adviser to President Clinton, when she wrote in Business Week Magazine the following. Think of American workers reading this, hearing this, whether they are in machine shops, whether they are in the textile industries, whether they are making shows, whether they are farmers. Think of them hearing these words that she wrote: "The only big change to American markets with China trade would be in the textile industry, which is currently protected by quotas slated for elimination under the WTO rules. China is among the world's lowest-cost producers of textiles, and one of the great benefits of WTO membership would be the elimination of U.S. quotas."

For an addendum, "lowest cost producers." There is the rub, because we

could talk about every one of those industries that I have just mentioned. What we are going to see is corporate America, part of corporate America, move offshore more jobs into China. Why? Let us listen to what Ms. Tyson said: "Because China is among the world's lowest cost producers of textiles."

Yet, and here is the second rub, when my wife goes into a department store to buy a Liz Claiborne dress, she is paying exactly the same amount of money most of the time as if that dress was made in the United States; and we know it is made for from \$7 to \$15 in China, Korea, Honduras, in Mexico, you name it. Well, where did this money go? Whose pockets are enhanced?

How can we stand before the American people and argue moral principles are involved here and that is why we should vote for WTO, that is why we should vote for permanent recognition of trade with China? What a sad day. It is pathetic, and I do not care whether it is coming from that side of the aisle or in my own party. It is not acceptable. I have not lost my moral compass, and I will tell that to the President, I will tell that to the folks on the other side who are in the leadership. You know the movie, you know the movie, it was a very nice movie, it was a very interesting movie, *Sleeping With the Enemy*. It was a great movie. I guess we missed the point.

They will go there, these corporations, and pay, as the gentleman from Michigan pointed out, they will pay 33, 13, even 3 cents an hour in sweatshops. We are condoning this by our actions. We are propping up a dictatorship that has sold to countries military secrets, missile secrets, missiles aimed at us. The report is clear. We have all been briefed, and when we have been briefed that means it is in *The New York Times*. Nothing special ever goes to a Congressman. It is there. It is part of the record, and there is no two ways about it.

So I say to Ms. Tyson, come to Paterson, come to Pittsburgh, come to Toledo and tell the folks who work hard to make ends meet in America, to bring food home to their families, tell them they will be better off when their jobs shut down.

Today we had a press conference. Little did I know that one of the factories right in back of where I had the press conference is shutting down, 110 more jobs. While we do little patterning here, the manufacturing is moving offshore. We have lost our moral compass.

This is not normal trade relations by any stretch of the imagination. Our trade deficit with China grows from \$7 billion 10 years ago to \$70 billion; and if NAFTA is any model, and the administration will tell you there is a big difference, and while I hope there is a big difference, everything you told us about NAFTA did not come true.

It had better be different. What is the difference, if you export the jobs to Mexico or if you export the jobs to China? We say "give us your tired, your weary." We say "come to America" to immigrants. We say "our doors are open." Then the very jobs that immigrant is working in are the very jobs that we are shipping to the very places they came from. The irony of it all.

We do not need permanent trade relationships with China right now. It is bogus. What we need to do is make a commitment to the Chinese people that we will never surrender our moral compass, and that the only thing we want to be permanent is their commitment to freedom. When the Chinese government begins to change, not just by innuendo, but by reality, then, then we can talk about PNTR for this great democracy of the United States.

Mr. DEFAZIO. Mr. Speaker, the gentleman has been most eloquent. I would note that the gentleman from California came on the floor during the debate and asked for time, and I would hope that we could arrange actually a time where Members could share an hour, equally, half an hour or so on either side, to debate, and would hope that can be arranged. I had a number of Members previously waiting on the floor, so I was unable to yield to him. Tomorrow night I would hope that perhaps we might do that, or even some other special procedure. Since the gentleman is Chair of the Committee on Rules, he could make some time available for us to do that.

Mr. Speaker, I yield to the gentleman from California (Ms. PELOSI).

□ 2045

Ms. PELOSI. Mr. Speaker, I thank the gentleman for yielding and for calling this Special Order, and I would like to associate myself with his remarks that we should have an exchange. I think the American people would benefit from that. I have no fear that in the discussion our point of view that Permanent Normal Trade Relations for China are not appropriate at this time.

Mr. Speaker, I come to this group, and I commend my colleagues for the depth of their knowledge and commitment on this issue, but I come as one who supported NAFTA, who has supported almost every trade agreement that I have had to vote on. Having said that, I say that some of the Members of Congress who did support NAFTA, who now do not support this, do so for a very good reason. This is not right, it is not ready, it is not fully negotiated. What is the rush?

Let me just say this. As my colleagues know, over time, there have been three areas of concern in this Congress about U.S.-China relations; and over the past decade, the situation has not improved. Those areas include proliferation of weapons of mass destruction; indeed, three pillars of our foreign

policy are to stop the proliferation of weapons of mass destruction, to promote democratic values, and to grow our economy by promoting exports. In all three of those areas, this proposal falls very, very short.

In terms of proliferation of weapons of mass destruction, despite administration statements to the contrary, China still continues to proliferate weapons, biological, chemical and nuclear weapons technology and their delivery systems, the missiles to deliver them, to rogue states like Pakistan, Iran, and now Libya. Libya, I might add, and this is recent, it is current, it is this spring, it is as we speak, the Chinese are improving the technology for Libya's missile capability. In a February speech, Secretary of Defense William Cohen explained the danger that Libya poses. Libya has chemical capabilities and is trying to buy long-range missiles. Rogue states like Libya, Iraq and Iran are not trying to build the missiles for regional conflict, they want long-range missiles to coerce and threaten us.

So while China is engaged in this dangerous proliferation to Libya, who has been established as a threat publicly by Secretary Cohen, we are not overlooking that proliferation; we, this administration, is certifying that it is not happening. This country is in such denial about China's proliferation activities that it is appalling, and it is not in our national security interest for us to proceed in this fashion.

Then we come to the issue of human rights. The administration has told us over time that if we engage with China in the manner they propose, and by the way, I certainly believe that we should engage with China in a sustainable way, but if we kowtow to the whim of the regime at every turn, that human rights will improve. Well, right now, today, there are more people in prison for their religious and political beliefs than at any time since the cultural revolution. The State Department's own Country Report documents that and the Congressional Commission on Religious Freedom also says that China should not get PNTR until there is improvement there.

But that is about human rights and that is about proliferation, and others say to us, well, for those reasons you want to sacrifice U.S. jobs, the opportunity for U.S. jobs; and that, I say to my colleagues, is the grand hoax. The very idea that proponents of PNTR would say that for promoting human rights and stopping proliferation, we would sacrifice U.S. jobs is ridiculous.

In fact, as my colleague pointed out, in the past 10 years, the trade deficit with China has gone from \$7 billion to \$70 billion, and it will be over \$80 billion for the year 2000. Our colleagues who promote this say that for every \$1 billion of exports produces 20,000 jobs in the U.S. Well, by their standard, the

\$70 billion, just taking this year's figure, would cost us 1,400,000 jobs to China with a \$70 billion trade deficit. Now, they say, oh it does not work in reverse, it just works this way. Well, tell that to people who are losing their jobs.

Now, again, I come to this floor as a free and fair trader, and I come from a city built on trade and many people there are not in support of my position. But I will tell my colleagues this: they can advocate all they want. We have the facts here, and we have a responsibility to the public interest, and we must talk about the jobs issue.

People talk, and my colleague from New Jersey has mentioned the textile issue. We have already said, textiles are low tech, they will go offshore; but that is not all that is going offshore. Many of these circuit boards, there is so much that is being done offshore in the high-tech industry. Let us take an example: aerospace. Boeing, Boeing, Boeing sets our China policy, we know that. But in aerospace, do my colleagues know that there is a province in China called Tian Province. You probably know it from the clay soldiers that are there, but there are also there 20,000 workers who make \$60 a month making parts of the Boeing airplanes, 20,000 workers. There is a book called *Job on the Wing*, and it describes this transfer of technology and production of jobs in the aerospace industry, which is one of the leading advocates for the PNTR. No wonder. Philip Condit, the head of Boeing, said when a plane flies to China, it is as if it is going home, so much of it has been made there.

So do not talk to us about this being about U.S. jobs. It is largely about U.S. investment in China; it is on platforms for cheap labor to export back to the U.S. But let us say, let us say it is about what they say it is about, that we really are going to have this good deal and it is going to create jobs, if the Chinese government complies with the terms of the agreement, which as our distinguished whip earlier spelled out, their reinterpretation already at the 1999 China-U.S. trade agreement, not to mention the fact that they have never honored any trade agreement all along the way.

Workers' rights and what workers make. Today, there was a press conference our colleagues had and a worker had just come from China. He worked in a group that made \$40 a day. Divide that up among 24 workers for this particular product. I know the product, but it is up to him to say, that worker to divulge that. Mr. Speaker, \$40 a day divided up among 24 workers for a full day's work. So workers' rights, well, they are a competitiveness issue, and although it is a human right as well, it is about jobs.

The environment is a competitiveness issue as well. I was pleased to join

our colleagues in sending a letter all around talking about the disappointment we had that this bilateral agreement, the U.S.-China bilateral agreement negotiated by the Clinton administration did not prioritize transfer and export of clean energy technology to China. It could have, but it did not. Also, it did not obtain a commitment from China that it would not use the World Trade Organization to challenge invasive species controls under the CITES, and that any trade investment agreement with China should place basic environmental obligations on U.S. corporations so that they do not escape the regulations that are in the U.S. That is a competitiveness issue.

So here we have a situation where we are helping to despoil the environment of China, where we are helping to abuse the workers' rights and, by the way, the workers in China whom I have met with have said, you are throwing us into the sea when you go down this path. Do not salve your own conscience by having some code of conduct or some other camouflage, because only we can speak for ourselves; and until we, the workers of China, can speak for ourselves and can organize, only then can you talk about trade with China lifting up workers in China.

So here we have this situation where we do not even know if the Chinese will agree to it; it is not completely negotiated. The trade representative has said the mechanism for compliance has not been negotiated yet, and for this we are squandering our values and our national security and 1,400,000 U.S. jobs.

Mr. DEFAZIO. Mr. Speaker, the gentleman from Ohio has been very patient. There is only a couple of minutes left, but I understand that the gentleman from California (Mr. DREIER) would like to yield to him during the next hour. I have another commitment, and I have to leave, but he wants to yield time to someone to debate.

Mr. DREIER. Mr. Speaker, I said I will yield to the gentleman from Oregon (Mr. DEFAZIO).

Mr. DEFAZIO. Mr. Speaker, I thought the gentleman from California might yield to the gentleman from Ohio.

Mr. Speaker, I yield to the gentleman from Ohio.

Mr. KUCINICH. Mr. Speaker, may I inquire as to how much time there is?

The SPEAKER pro tempore (Mr. Cook). The gentleman from Oregon has 1 minute remaining.

Mr. KUCINICH. Mr. Speaker, this is the beginning of a lively debate that will take place over the next few days.

The administration is attempting to inject this idea of this being a national security vote. Well, look at the kinds of high technology which we are buying now from China as a result of a \$70 billion trade deficit where we have forgotten the commitment that we should have to this country's security first.

We are buying now from China, not shipping there. We are buying turbojet aircraft engines, turbo propeller aircraft engines, radar designed for boat and ship installation, reception apparatus for radio, prism binoculars which are military issue, rifles that eject missiles by release of air and gas, parts for military airplanes and helicopters, parascores designed to form parts of machines, turbojet aircraft engines, transmitters, bombs, grenades, torpedoes, and similar munitions of war.

They are making this now and selling it back to us. What is happening with this country? We are forgetting about our own strategic industrial base.

ONE-MAN TRUTH SQUAD

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from California (Mr. DREIER) is recognized for 60 minutes as the designee of the majority leader.

Mr. DREIER. Mr. Speaker, I have taken out this Special Order to lead at this point what will be a one-man truth squad to try and respond to some of the things that have been said over the past hour about this issue. During that time, I am happy to yield to my friend from Oregon who refused to, I guess like the Chinese leadership, refused to yield to me when I was simply going to ask a question in response to the fact that the gentleman from Michigan referred to me.

So let me just take a few minutes to respond to a couple of those points that were made that come to mind and then talk about this general issue, and then I should inform my friends that I would love to do this over the hour, but because of the fact that my colleagues would not yield to me and because of time constraints, I have to be upstairs for another commitment in about 12 minutes. There are two television programs. I am going to be debating, in fact, the minority whip on one of the television programs where he and I will discuss this, but it was a previous commitment that my office made for me. So I hope my friends will understand. But I will try within the 12-minute period that I have to, unlike my friends from the other side of the aisle, yield to them for a question or a comment, and I will do it just as generously as I possibly can. It will certainly be more generous than my democratic colleagues did.

Let me say this: this vote that we are going to be casting the day after tomorrow is the single most important vote that we will cast, clearly, in this session of the Congress. I believe that as we look at this question, it really transcends simply the issue of job creation and economic growth. It has to do with whether the United States of America is going to maintain its role as the paramount global leader.